

134 FERC ¶ 61,152
FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

March 1, 2011

In Reply Refer To:
Entergy Services, Inc.
Docket No. ER10-2001-000

Entergy Services, Inc.
Andrea J. Weinstein, Esq.
101 Constitution Ave., NW
Suite 200 East
Washington, DC 20001

Attn: Andrea J. Weinstein, Esq.

Reference: Partial Uncontested Settlement

Dear Ms. Weinstein:

1. On December 17, 2010, you filed a Partial Settlement Agreement (Settlement) in the above-referenced docket. On January 6, 2011, the Commission Trial Staff submitted comments in support of the Settlement. No other comments were filed. The Settlement Judge certified the Settlement to the Commission on January 25, 2011.¹
2. The parties reached settlement with respect to issues related to the Arkansas non-production (transmission, distribution, and general) depreciation rates to be used in the

¹ *Entergy Services, Inc.*, 134 FERC ¶ 63,007 (2011).

formula rates.² The remaining contested issues were severed by Order of the Chief Judge and assigned to Docket No. ER10-2001-001 for a hearing.

3. The Settlement appears to be fair and reasonable and in the public interest, and is hereby approved. The Commission's approval of this Settlement does not constitute approval of, or precedent regarding, any principle or issue involved in this proceeding. Paragraph 7 of the Settlement provides that the standard of review for changes to this Settlement will be the just and reasonable standard. The Commission retains the right to investigate the rates, terms, and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. § 824e (2006).

² The Settlement provides that:

(1) The Parties agree that all of the non-production (transmission, distribution and general) depreciation rates applicable to the OATT, EAI's wholesale formula rates and Service Schedule MSS-2 of the System Agreement effective September 27, 2010, will be the as-filed depreciation rates contained in the July 27 Filing based on the Average Life Group procedure. As a result, all issues with respect to the EAI depreciation rates applicable to the OATT, EAI's wholesale formula rates and Service Schedule MSS-2 of the System Agreement are resolved.

(2) The Parties also agree that with the exception of the production depreciation rates, all of the as-filed depreciation rates included in the July 27 Filing will be used in Service Schedules MSS-1, MSS-3 and MSS-4 of the System Agreement to the extent applicable.

(3) The Parties further agree that the production depreciation rates applicable to Service Schedules MSS-1, MSS-3 and MSS-4 of the System Agreement are outside the scope of this Settlement and will be the subject of a separate hearing. The outcome of the proceeding in which the production depreciation rates applicable to Service Schedules MSS-1, MSS-3 and MSS-4 of the System Agreement are resolved will have no effect on the depreciation rates applicable to the OATT, EAI's wholesale formula rates and Service Schedule MSS-2 of the System Agreement.

4. This letter order terminates all issues in Docket No. ER10-2001-000. However, Docket No. ER10-2001-001, where the remaining contested issues have been assigned for hearing, is not being terminated.

By direction of the Commission.

Nathaniel J. Davis, Sr.,
Deputy Secretary.

cc: All Parties